

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|---|---------------------------------------|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. U-0285-A |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator EOG Resources, Inc. | | 7. If Unit or CA Agreement, Name and No. Chapita Wells Unit |
| 3a. Address 1060 East Hwy 40 Vernal, UT 84078 | | 8. Lease Name and Well No. Chapita Wells Unit 1292-25 |
| 3b. Phone No. (include area code) 435-781-9111 | | 9. API Well No. 43-04739609 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1498' FNL & 2553' FEL (SWNE) 40.010164 LAT 109.388019 LON At proposed prod. zone Same 637634X 4429927Y 40.010215 | | 10. Field and Pool, or Exploratory Natural Buttes/Mesaverde |
| 11. Sec., T. R. M. or Blk. and Survey or Area Sec. 25-T9S-R22E, S.L.B.&M. | | 12. County or Parish Uintah County |
| 13. State UT | | 14. Distance in miles and direction from nearest town or post office* 50.8 miles south of Vernal, Utah |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1498' Lease line | 16. No. of acres in lease 1800 | 17. Spacing Unit dedicated to this well Suspended |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 812' | 19. Proposed Depth 9265 | 20. BLM/BIA Bond No. on file NM2308 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5086' NAT GL | 22. Approximate date work will start* | 23. Estimated duration 45 days |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

| | | |
|---------------------------------------|---|--------------------|
| 25. Signature | Name (Printed/Typed) Mary A. Maestas | Date 08/30/2007 |
| Title Regulatory Assistant | | |
| Approved by (Signature) | Name (Printed/Typed) BRADLEY G. HILL | Date 09-17-07 |
| Title Office ENVIRONMENTAL MANAGER | | |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

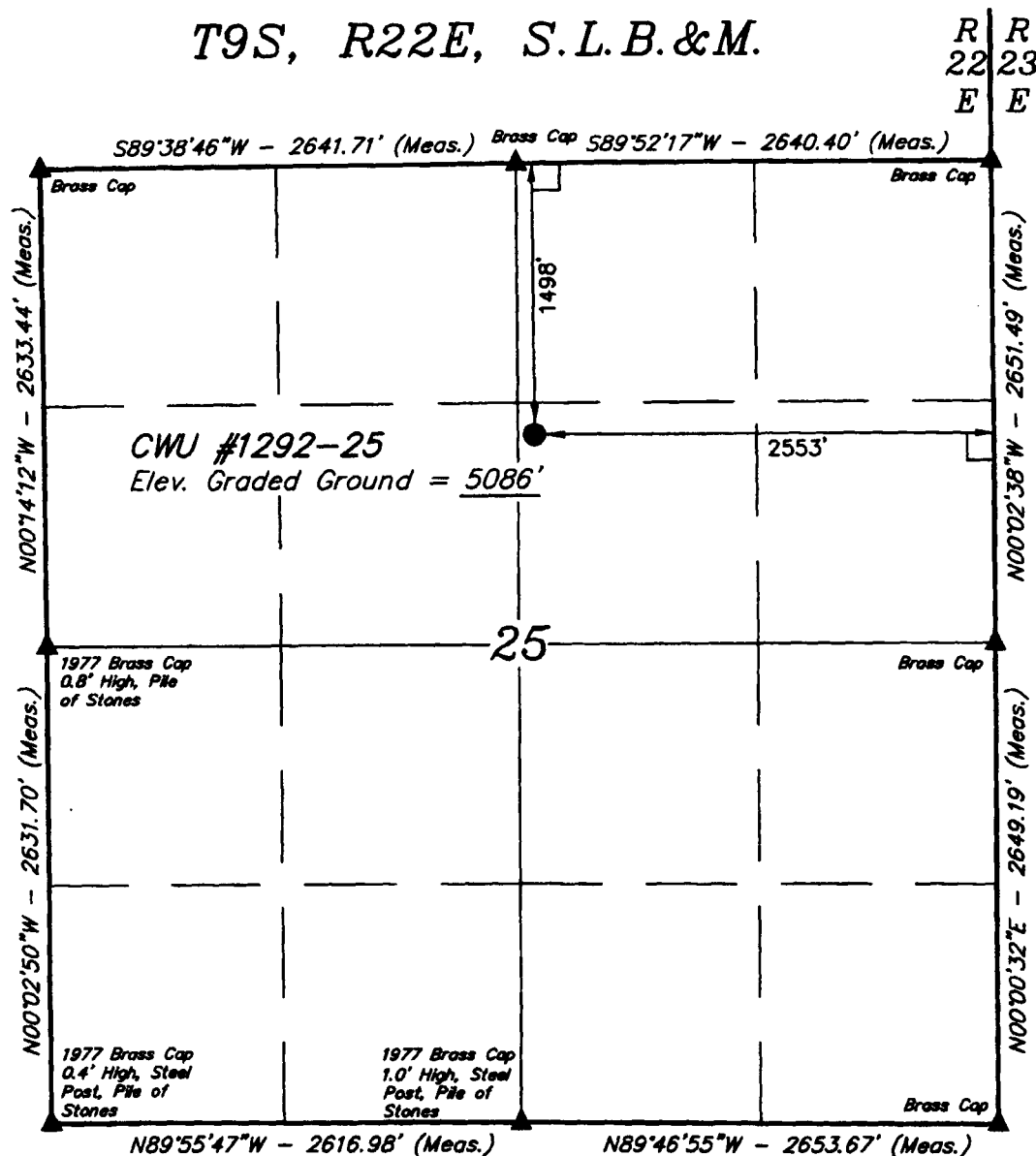
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SEP 04 2007

Federal Approval of this
Action is Necessary

DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°00'36.59" (40.010164)
 LONGITUDE = 109°23'16.87" (109.388019)
 (NAD 27)
 LATITUDE = 40°00'36.71" (40.010197)
 LONGITUDE = 109°23'14.42" (109.387339)

EOG RESOURCES, INC.

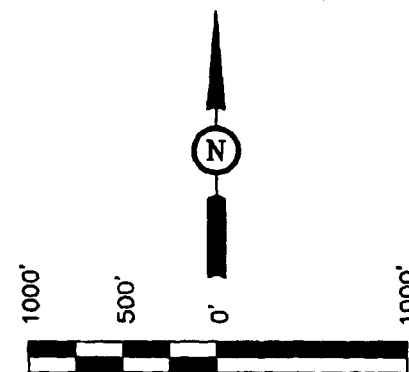
Well location, CWU #1292-25, located as shown in the SW 1/4 NE 1/4 of Section 25, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

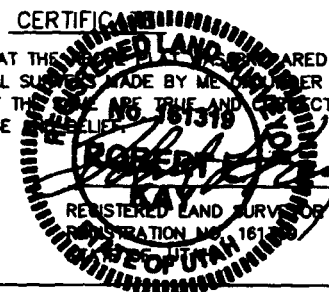
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATION

THIS IS TO CERTIFY THAT THE SURVEY WAS MADE FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE



UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

| | | |
|-------------------------|-----------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 08-04-06 | DATE DRAWN: 08-08-06 |
| PARTY G.S. D.R. C.H. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1292-25 SW/NE, SEC. 25, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River FM | 1,577' |
| Wasatch | 4,635' |
| Chapita Wells | 5,210' |
| Buck Canyon | 5,853' |
| North Horn | 6,594' |
| KMV Price River | 6,870' |
| KMV Price River Middle | 7,777' |
| KMV Price River Lower | 8,539' |
| Sego | 9,064' |

Estimated TD: 9,265' or 200'± below Sego top

Anticipated BHP: 5,060 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

| | <u>HOLE SIZE</u> | <u>INTERVAL</u> | <u>SIZE</u> | <u>WEIGHT</u> | <u>GRADE</u> | <u>THREAD</u> | <u>RATING FACTOR</u> | | |
|-------------|------------------|-----------------|-------------|---------------|--------------|---------------|----------------------|--------------|----------------|
| | | | | | | | <u>COLLAPSE</u> | <u>BURST</u> | <u>TENSILE</u> |
| Conductor: | 17 ½" | 0' – 45' | 13 ¾" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| Surface | 12-1/4" | 45' – 2,300'KB± | 9-5/8" | 36.0# | J-55 | STC | 2020 PSI | 3520 Psi | 394,000# |
| Production: | 7-7/8" | 2,300'± – TD | 4-1/2" | 11.6# | N-80 | LTC | 6350 PSI | 7780 Psi | 223,000# |

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. **All casing will be new or inspected.**

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1292-25 SW/NE, SEC. 25, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1292-25 SW/NE, SEC. 25, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 128 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 910 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1292-25
SW/NE, SEC. 25, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

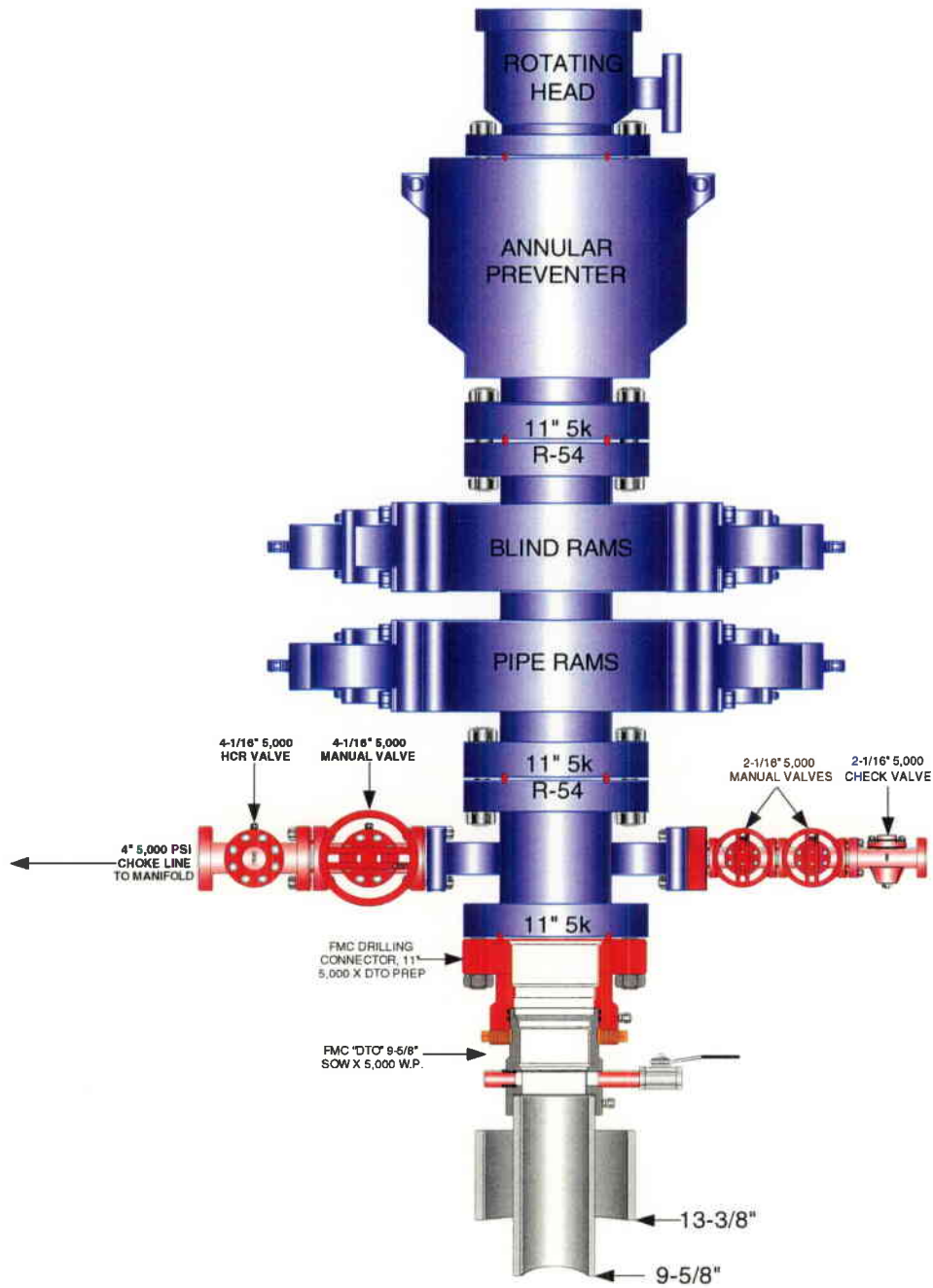
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

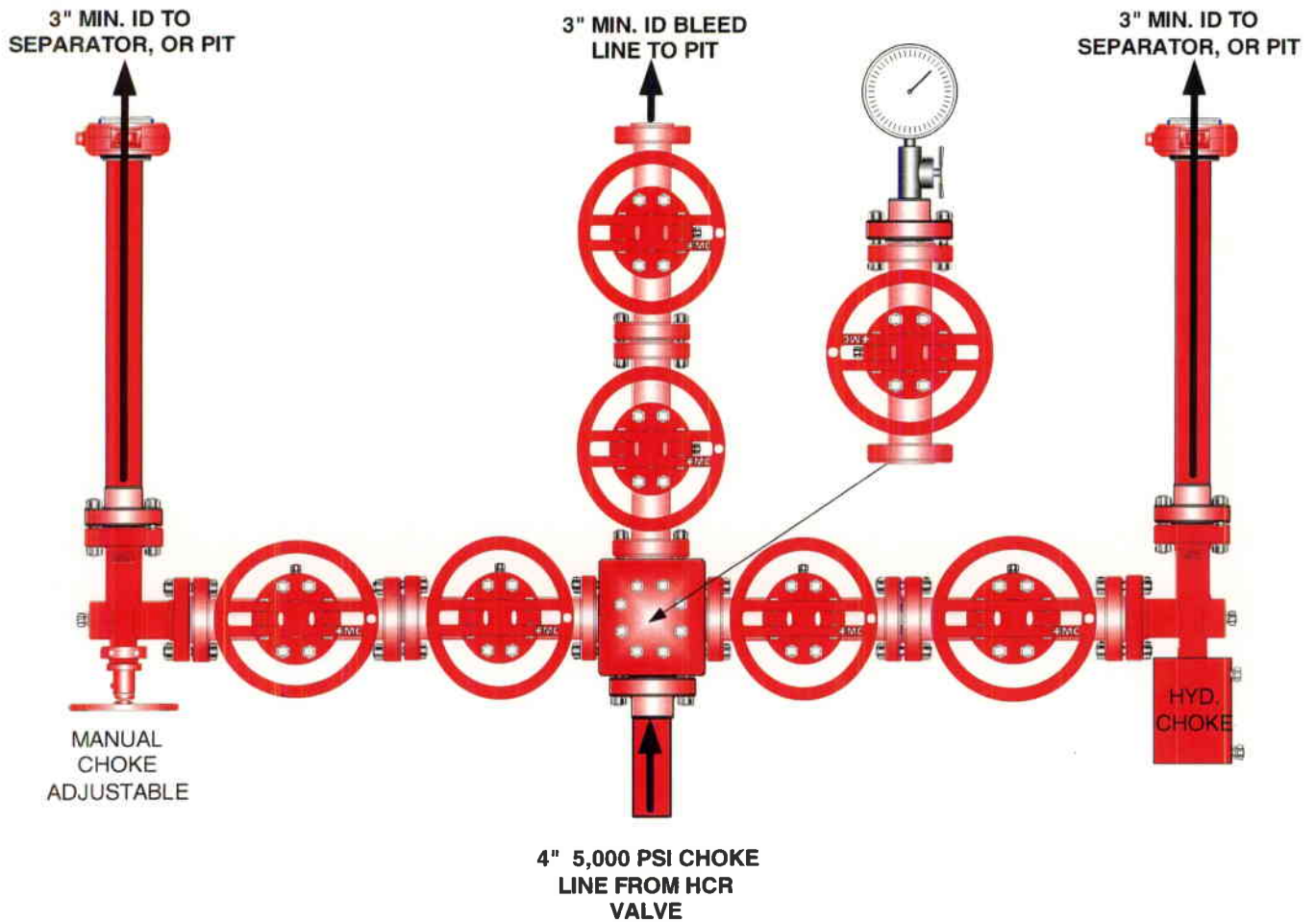
**EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION**

PAGE 1 OF 2



**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES**

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



***Chapita Wells Unit 1292-25
SWNE, Section 25, T9S, R22E
Uintah County, Utah***

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 460 feet long with a 40-foot right-of-way, disturbing approximately .42 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.26 acres. The pipeline is approximately 1114 feet long with a 40-foot right-of-way, disturbing approximately 1.02 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 50.8 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 460' in length. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

An off-lease right-of-way is not required. The entire length of the proposed access road is located within Federal Lease # U-0285-A.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 1114' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease U-0285-A) proceeding in a westerly direction for an approximate distance of 1114' tying into an existing pipeline for the Chapita Wells Unit 509-25F located in the SENW of Section 25, T9S, R22E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease # U-0285-A.
7. The proposed pipeline route begins in the SWNE of Section 25, T9S, R22E, proceeding westerly for an approximate distance of 1114' to the SENW of Section 25, T9S, R22E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon or Covert Green.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT

(State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
 - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
 - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it

in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the northwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the north side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil east of pit corner B. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

A diversion ditch shall be constructed on the southeast side of the location.

The corners of the well pad will be rounded off as needed to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|---------------------|--|
| HyCrest Wheatgrass | 9.0 |
| Prostrate Kochia | 3.0 |

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|------------------------|--|
| Wyoming Big Sage | 3.0 |
| Shadscale | 3.0 |
| Needle and Threadgrass | 3.0 |
| HyCrest Wheatgrass | 1.0 |
| Scarlet Globe Mallow | 1.0 |

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
- Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan

of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on 9/20/2006. A paleontological survey was conducted and submitted by Intermountain Paleo on 10/3/2006.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Mary A. Maestas
EOG Resources, Inc.
P.O. Box 1815
Vernal, UT 84078
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1292-25 Well, located in the SWNE, of Section 25, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

August 30, 2007
Date



Mary A. Maestas, Regulatory Assistant

LOCATION LAYOUT FOR
CWU #1292-25
SECTION 25, T9S, R22E, S.L.B.&M.
1498' FNL 2553' FEL

F-13.5'
El. 5069.8'

Sta. 3+25

Existing
Drainage

A circular professional seal for Robert L. Kay, a Registered Land Surveyor in the State of Utah. The seal features the text "REGISTERED LAND SURVEYOR" around the top and "STATE OF UTAH" around the bottom. In the center, it says "No. 183710" and "ROBERT L. KAY". There are handwritten initials "RLK" over the name.

Sta. 1+50

F-13.2'
El. 5070.1'

Approx.
Toe of
Fill Slope

Sta. 0+00

F-14.6'
El. 5068.7'

Proposed Access Road

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head. Pit Topsoil

El. 5102.4'
C-31.1'
(btm. pit)

El. 5096.4'
C-25.1'
(btm. pit)

Approx.
Top of
Cut Slope

Elev. Ungraded Ground At Loc. Stake = 5086.0'

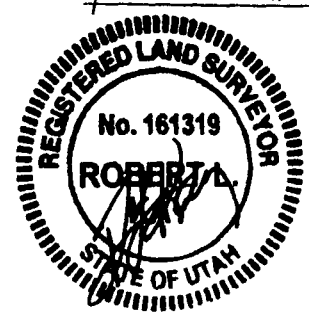
FINISHED GRADE ELEV. AT LOC. STAKE = 5083.3'

EOG RESOURCES, INC.

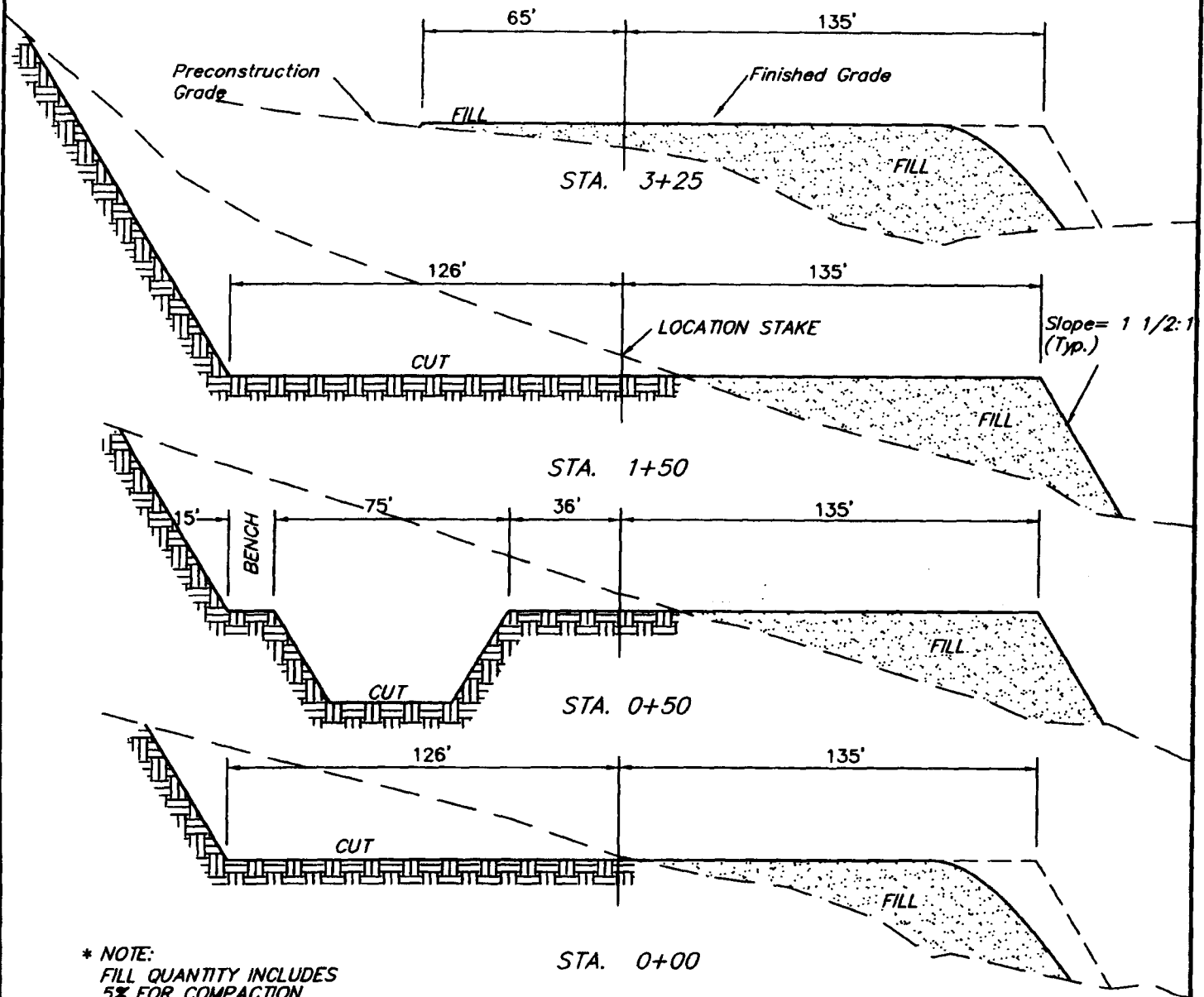
TYPICAL CROSS SECTIONS FOR

CWU #1292-25
SECTION 25, T9S, R22E, S.L.B.&M.
1498' FNL 2553' FEL

FIGURE #2



1" = 20'
X-Section
Scale
1" = 50'
DATE: 08-08-06
Drawn By: C.H.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 2,010 Cu. Yds.
Remaining Location = 17,340 Cu. Yds.

TOTAL CUT = 19,350 CU.YDS.
FILL = 15,680 CU.YDS.

EXCESS MATERIAL = 3,670 Cu. Yds.
Topsoil & Pit Backfill = 3,670 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.

CWU #1292-25

LOCATED IN UINTAH COUNTY, UTAH
SECTION 25, T9S, R22E, S.1.B.&M.

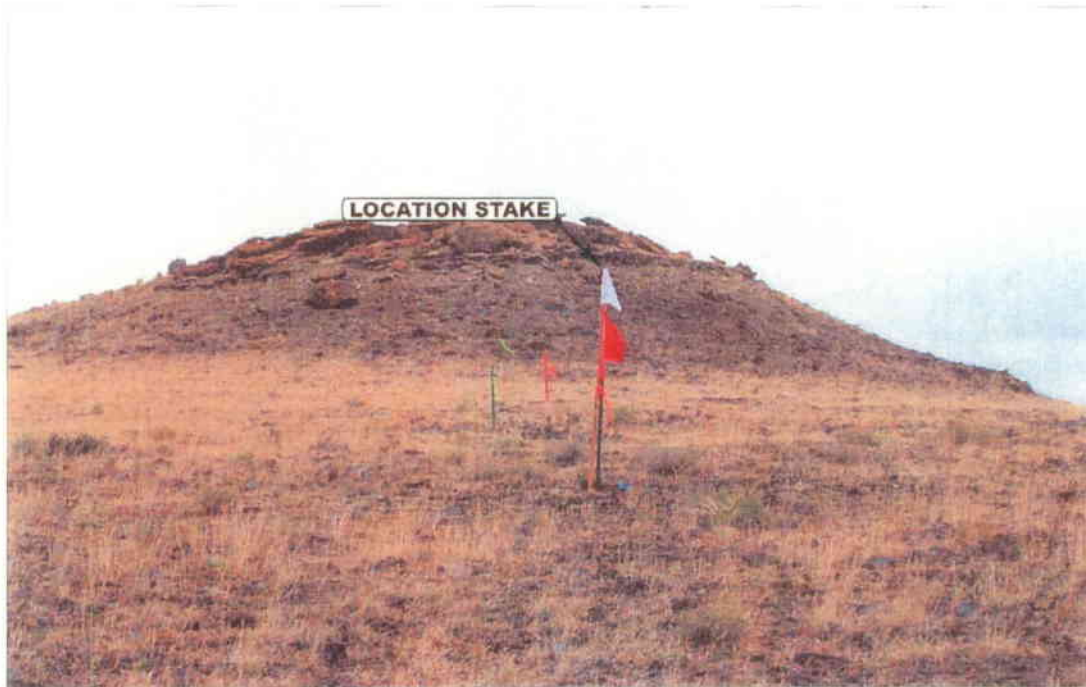


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Since 1964

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

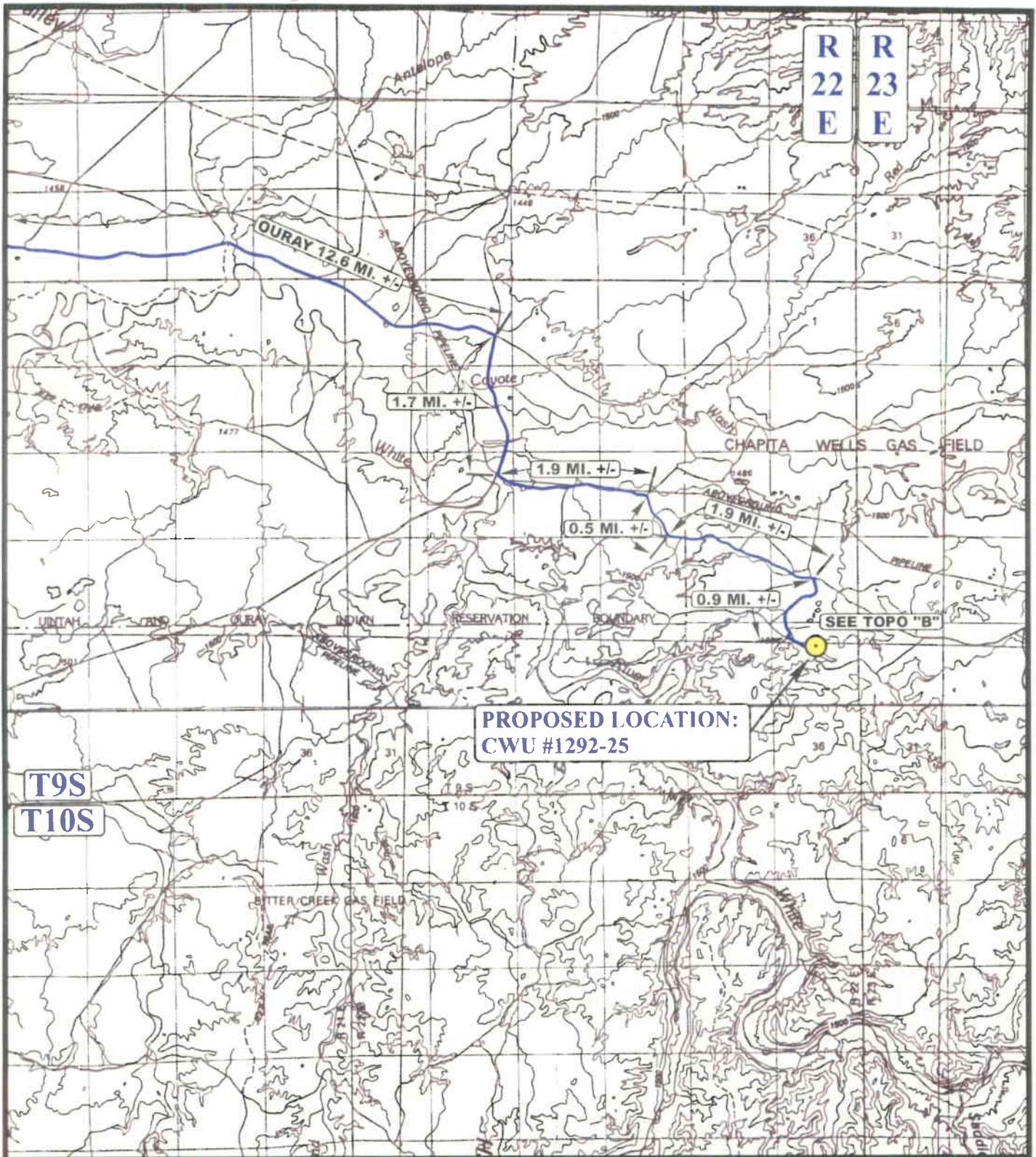
08 09 06
MONTH DAY YEAR

PHOTO

TAKEN BY: D.R.

DRAWN BY: L.K.

REVISED: 00-00-00



LEGEND:

● PROPOSED LOCATION

EOG RESOURCES, INC.

CWU #1292-25
SECTION 25, T9S, R22E, S.L.B.&M.
1498' FNL 2553' FEL

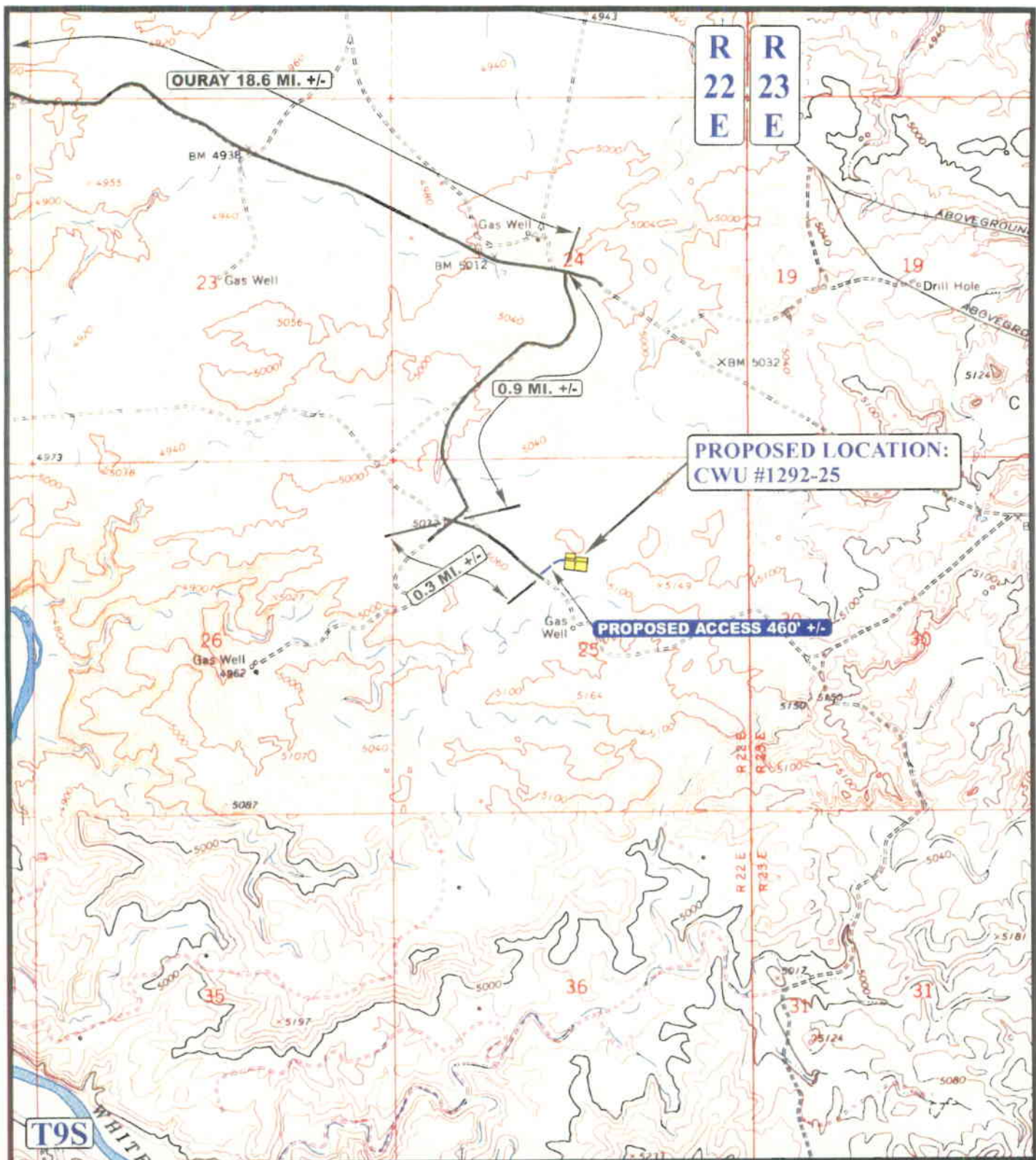
U E L S
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

08 09 06
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00

**A
TOPO**



LEGEND:

EXISTING ROAD
 PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #1292-25
 SECTION 25, T9S, R22E, S.L.B.&M.
 1498' FNL 2553' FEL



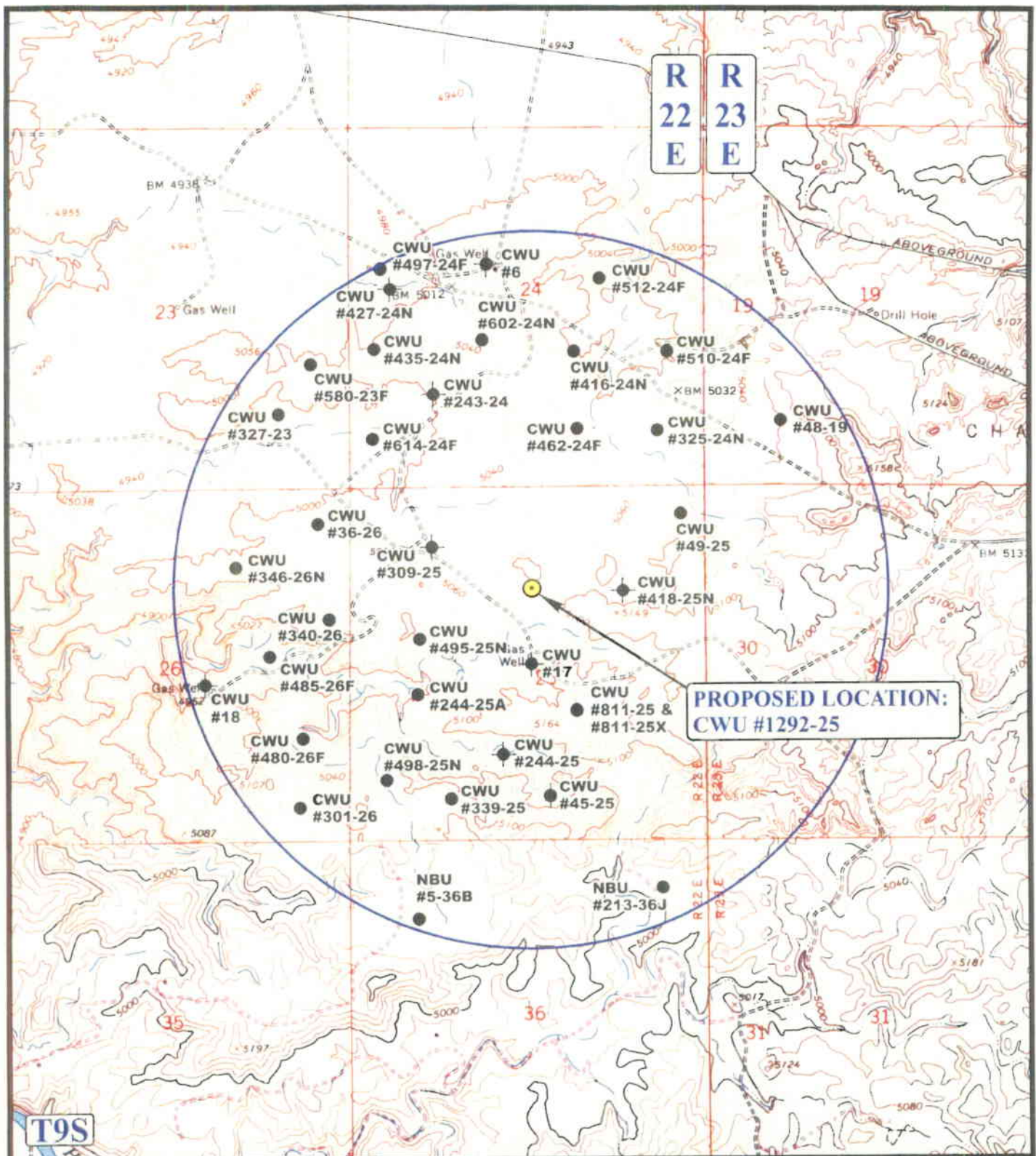
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

| | | |
|-------|-----|------|
| 08 | 09 | 06 |
| MONTH | DAY | YEAR |

B
 TOPO

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

CWU #1292-25
 SECTION 25, T9S, R22E, S.L.B.&M.
 1498' FNL 2553' FEL

TOPOGRAPHIC
MAP

08 09 06
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



| | | |
|-------------------|----------------|-------------------|
| SCALE: 1" = 1000' | DRAWN BY: L.K. | REVISED: 00-00-00 |
|-------------------|----------------|-------------------|

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/04/2007

API NO. ASSIGNED: 43-047-39609

WELL NAME: CWU 1292-25

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: MARY MAESTAS

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SWNE 25 090S 220E

SURFACE: 1498 FNL 2553 FEL

BOTTOM: 1498 FNL 2553 FEL

COUNTY: UINTAH

LATITUDE: 40.01022 LONGITUDE: -109.3874

UTM SURF EASTINGS: 637634 NORTHINGS: 4429927

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0285-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM2308)
N Potash (Y/N)
Y Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-225)
N RDCC Review (Y/N)
(Date: _____)
NA Fee Surf Agreement (Y/N)
NA Intent to Commingle (Y/N)

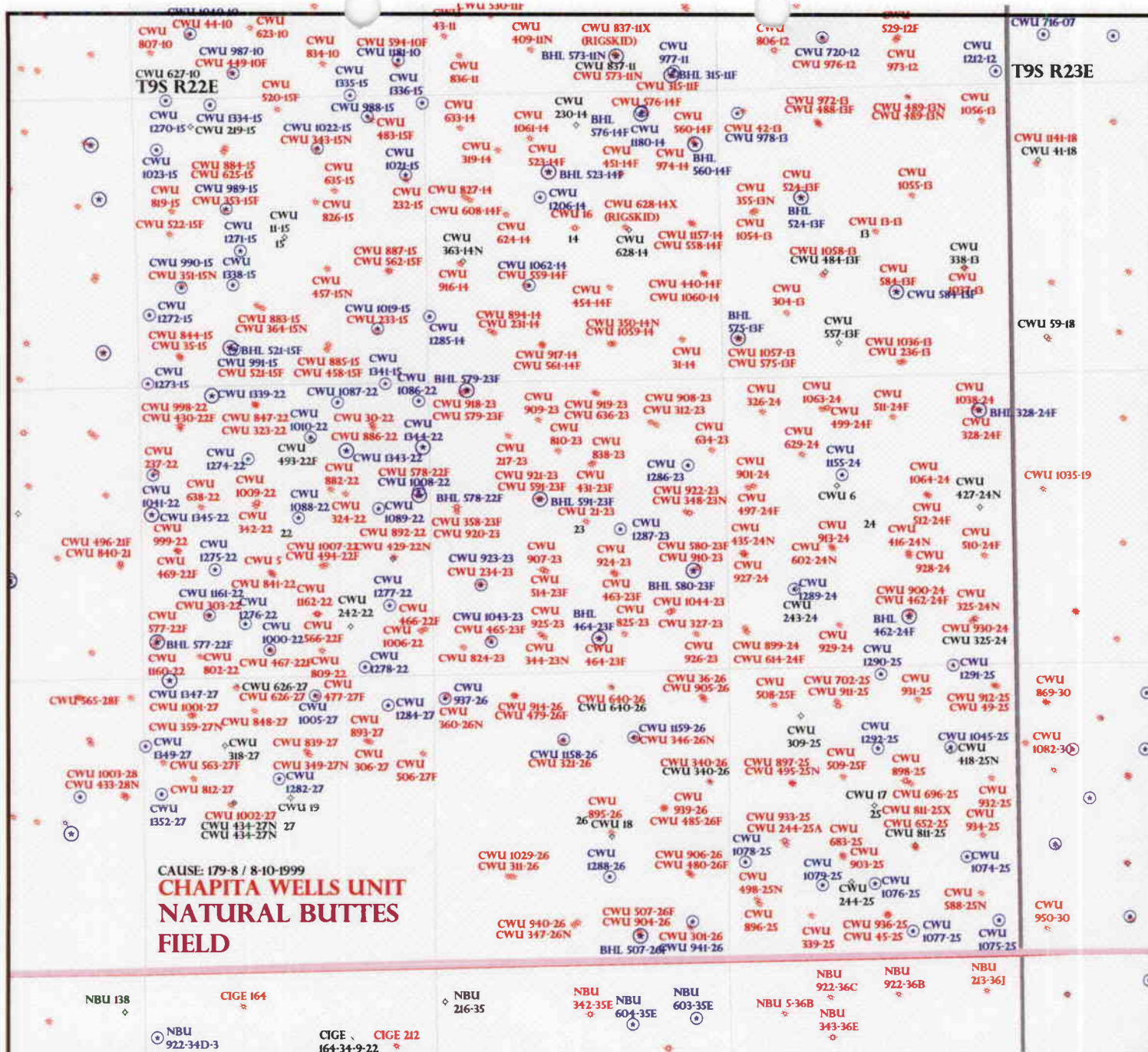
LOCATION AND SITING:

____ R649-2-3.
Unit: CHAPITA WELLS *OK*
____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-99
Siting: Suspending General Siting
____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- OK SHALE



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 13,14,15,22,25,27 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON
 DATE: 11-SEPTEMBER-2007



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 17, 2007

EOG Resources, Inc.
1060 East Hwy 40
Vernal, UT 84078

Re: Chapita Wells Unit 1292-25 Well, 1498' FNL, 2553' FEL, SW NE, Sec. 25, T. 9 South,
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39609.

Sincerely,

For

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office



Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 1292-25

API Number: 43-047-39609

Lease: U-0285-A

Location: SW NE **Sec.** 25 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

| | | |
|---|--|---|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0285A |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078 | | 7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit |
| PHONE NUMBER: (435) 781-9111 | | 8. WELL NAME and NUMBER: Chapita Wells Unit 1292-25 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1498' FNL & 2553' FEL 40.010197 LAT 109.387339 LON | | 9. API NUMBER: 43-047-39609 |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 25 9S 22E S | | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde |

COUNTY: Uintah

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>APD Extension</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-09-08
By: [Signature]

NAME (PLEASE PRINT) Kaylene B. Gardner

TITLE Regulatory Administrator

SIGNATURE [Signature]

DATE 8/29/2008

(This space for State use only)

COPY SENT TO OPERATOR

Date: 9.10.2008

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

SEP 08 2008

DIV. OF OIL, GAS & MINING

RESET

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-39609
Well Name: Chapita Wells Unit 1292-25
Location: 1498 FNL - 2553 FEL (SWNE), SECTION 25, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 9/17/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

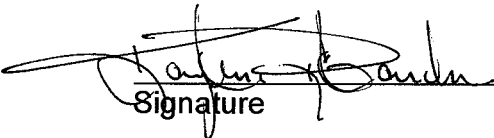
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

8/29/2008

Date

Title: Regulatory Administrator

Representing: EOG Resources, Inc.

RECEIVED

SEP 08 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|--|---------------------------------------|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. U-0285-A |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator EOG Resources, Inc. | | 7. If Unit or CA Agreement, Name and No. Chapita Wells Unit |
| 3a. Address 1060 East Hwy 40 Vernal, UT 84078 | | 8. Lease Name and Well No. Chapita Wells Unit 1292-25 |
| 3b. Phone No. (include area code) 435-781-9111 | | 9. API Well No. 43-047-39609 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1498' FNL & 2553' FEL (SWNE) 40.010164 LAT 109.388019 LON At proposed prod. zone Same | | 10. Field and Pool, or Exploratory Natural Buttes/Mesaverde |
| 11. Sec., T. R. M. or Blk. and Survey or Area Sec. 25-T9S-R22E, S.L.B.&M. | | 12. County or Parish Uintah County |
| 13. State UT | | 14. Distance in miles and direction from nearest town or post office* 50.8 miles south of Vernal, Utah |
| 15. Distance from proposed* 1498' Lease line location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) | 16. No. of acres in lease 1800 | 17. Spacing Unit dedicated to this well Suspended |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 812' | 19. Proposed Depth 9265 | 20. BLM/BIA Bond No. on file NM2308 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5086' NAT GL | 22. Approximate date work will start* | 23. Estimated duration 45 days |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

| | | |
|---|---|---------------------|
| 25. Signature <i>Mary A. Maestas</i> | Name (Printed/Typed) Mary A. Maestas | Date 08/30/2007 |
| Title Regulatory Assistant | | |
| Approved by (Signature) <i>[Signature]</i> | Name (Printed/Typed) Terry Kewels | Date AUG 25 2008 |
| Title Assistant Field Manager Lands & Mineral Resources | Office VERNAL FIELD OFFICE | |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

RECEIVED
SEP 16 2008

DIV. OF OIL, GAS & MINING

4DOGM

06LW1663A

NDS 8/21/08

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources Inc.
Well No: CWU 1292-25
API No: 43-047-39609

Location: SWNE, Sec. 25, T9S, R22E
Lease No: UTU-0285-A
Agreement: Chapita Wells Unit

| Title | Name | Office Phone Number | Cell Phone Number |
|-----------------------------------|-----------------|---------------------|-------------------|
| Petroleum Engineer: | Matt Baker | (435) 781-4490 | (435) 828-4470 |
| Petroleum Engineer: | Michael Lee | (435) 781-4432 | (435) 828-7875 |
| Petroleum Engineer: | James Ashley | (435) 781-4470 | (435) 828-7874 |
| Petroleum Engineer: | Ryan Angus | (435) 781-4430 | (435) 828-7368 |
| Supervisory Petroleum Technician: | Jamie Sparger | (435) 781-4502 | (435) 828-3913 |
| Supervisory NRS: | Karl Wright | (435) 781-4484 | (435) 828-7381 |
| NRS/Enviro Scientist: | Holly Villa | (435) 781-4404 | (435) 828-3544 |
| NRS/Enviro Scientist: | James Hereford | (435) 781-3412 | |
| NRS/Enviro Scientist: | Chuck Macdonald | (435) 781-4441 | (435) 828-7481 |
| NRS/Enviro Scientist: | Dan Emmett | (435) 781-3414 | |
| NRS/Enviro Scientist: | Paul Percival | (435) 781-4493 | |
| NRS/Enviro Scientist: | Michael Cutler | (435) 781-3401 | (435) 828-3546 |
| NRS/Enviro Scientist: | Anna Figueroa | (435) 781-3407 | (435) 828-3548 |
| NRS/Enviro Scientist: | Verlyn Pindell | (435) 781-3402 | (435) 828-3547 |
| NRS/Enviro Scientist: | Darren Williams | (435) 781-4447 | (435) 828-4029 |
| NRS/Enviro Scientist: | Nathan Packer | (435) 781-3405 | (435) 828-3545 |

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

| | |
|---|--|
| Location Construction (Notify Environmental Scientist) | - Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion (Notify Environmental Scientist) | - Prior to moving on the drilling rig. |
| Spud Notice (Notify Petroleum Engineer) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to running casing and cementing all casing strings. |
| BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice (Notify Petroleum Engineer) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC CONDITIONS OF APPROVAL

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.
- An erosion control pond will be built east of corner eight.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- The conductor pipe shall be set and cemented in a competent formation.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A 75 foot long blooie line is approved. All other equipment for air/gas drilling shall meet specifications in Onshore Order #2, III. Requirements, E. Special Drilling Operations.
- Logging program: Gamma Ray shall be run from TD to surface.
- At the 9 5/8" casing shoe, a casing shoe formation integrity test shall be performed after drilling 20 feet or less, past the casing shoe.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU0336A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
MULTIPLE MULTIPLE CWW
1292-25

9. API Well No.
43 147 39609

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. County or Parish, and State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG RESOURCES, INC. Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

3a. Address
1060 E. HWY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

9S 22E 25

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change to Original A |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | PD |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This sundry is for Air Drilling Variance Request for multiple wells, please see attached.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #65680 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature

Mickenzie Thacker

Date 12/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

[Signature]

Title Pet Eng

Date 1/6/09

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office DOG m

Federal Approval Of This
Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

RECEIVED

1/13/09

DIR OF OIL, GAS & MIN.

| API # | Lease # | Well Name | Footages | 1/4-1/4 Legal Description |
|--------------|------------|-------------|---------------------|------------------------------|
| 43-047-39894 | UTU-0336-A | CWU 723-28 | 1982' FNL 1653' FWL | SENE Sec. 28 T9S R23E |
| 43-047-39639 | UTU-0336-A | CWU 725-28 | 1817' FSL 1976' FWL | NESW Sec. 28 T9S R23E |
| 43-047-39455 | UTU-0283-A | CWU 1271-15 | 2474' FSL 1904' FWL | NESW Sec. 15 T9S R22E |
| 43-047-39537 | UTU-0285-A | CWU 1291-25 | 5' FNL 1161' FEL | NENE Sec. 25 T9S R22E |
| 43-047-39609 | UTU-0285-A | CWU 1292-25 | 1498' FNL 2553' FEL | SWNE Sec. 25 T9S R22E |
| 43-047-39731 | UTU-0285-A | CWU 1356-26 | 10' FNL 1310' FEL | NENE Sec. 26 T9S R22E |
| 43-047-39975 | UTU-72635 | CWU 1372-29 | 1413' FSL 25' FWL | NWSW Sec. 29 T9S R23E |

RECEIVED

4-15-11

2105 OL, C. S. 110000

Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

1. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
2. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
4. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
5. EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

RECEIVED
JAN 11 2011
DIV. OF OIL, GAS & MIN.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1292-25

Api No: 43-047-39609 Lease Type: FEDERAL

Section 25 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

SPUDDED:

Date 01/19/2009

Time 1:30 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 01/20/2009 Signed CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.****SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | | |
|---|---|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. UTU0285A |
| 2. Name of Operator EOG RESOURCES, INC. | | 6. If Indian, Allottee or Tribe Name |
| Contact: MICKENZIE THACKER E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM | | 7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS |
| 3a. Address 1060 E. HWY 40 VERNAL, UT 84078 | 3b. Phone No. (include area code) Ph: 453-781-9145 | 8. Well Name and No. CHAPITA WELLS UNIT 1292-25 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T9S R22E SWNE 1498FNL 2553FEL 40.01016 N Lat, 109.38802 W Lon | | 9. API Well No. 43-047-39609 |
| | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| | | 11. County or Parish, and State UINTAH COUNTY, UT |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Well Spud |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 1/19/2009.

| | |
|---|------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #66471 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal | |
| Name (Printed/Typed) MICKENZIE THACKER | Title OPERATIONS CLERK |
| Signature <i>Mickenzie Thacker</i> | Date 01/20/2009 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-------------|------------|
| Approved By _____ | Title _____ | Date _____ |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | |
| Office _____ | | |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ******RECEIVED**
JAN 22 2009**DIV. OF OIL, GAS & MINING**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9145

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--------------------------|---------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-39894 | CHAPITA WELLS UNIT 723-28 | | SENW | 28 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| <u>KB</u> | 99999 | <u>10738</u> | 1/14/2009 | | <u>1/29/09</u> | | |
| Comments: <u>WASATCH</u> | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|----------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-39537 | CHAPITA WELLS UNIT 1291-25 | | NENE | 25 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| <u>KB</u> | 99999 | <u>13650</u> | 1/15/2009 | | <u>1/29/09</u> | | |
| Comments: <u>MESAVERDE</u> | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|----------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-39609 | CHAPITA WELLS UNIT 1292-25 | | SWNE | 25 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| <u>KB</u> | 99999 | <u>13650</u> | 1/19/2009 | | <u>1/29/09</u> | | |
| Comments: <u>MESAVERDE</u> | | | | | | | |

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

Title

1/20/2009

Date

RECEIVED

JAN 20 2009

(5/2000)

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
UTU0285A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS8. Well Name and No.
CHAPITA WELLS UNIT 1292-259. API Well No.
43-047-3960910. Field and Pool, or Exploratory
NATURAL BUTTES11. County or Parish, and State
UINTAH COUNTY, UT**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

EOG RESOURCES, INC.

Contact: MARY A. MAESTAS

E-Mail: mary_maestas@eogresources.com

3a. Address

600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)

Ph: 303-824-5526
Fx: 303-824-5527

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 25 T9S R22E SWNE 1498FNL 2553FEL
40.01016 N Lat, 109.38802 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Production Start-up |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 4/18/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

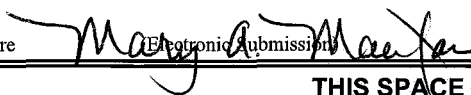
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #69114 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 04/20/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ******RECEIVED****APR 22 2009**

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 04-20-2009

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------|
| Well Name | CWU 1292-25 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA DEEP | API # | 43-047-39609 | Well Class | COMP |
| County, State | UINTAH, UT | Spud Date | 03-10-2009 | Class Date | |
| Tax Credit | N | TVD / MD | 9,265/ 9,265 | Property # | 059661 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 5,096/ 5,083 | | | | |
| Location | Section 25, T9S, R22E, SWNE, 1498 FNL & 2553 FEL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 55.605 | NRI % | 47.597 |

| | | | | | | | | | | | | | | | | | | | | | | | |
|----------------------|--|-------------|--|----------------|--|-----------|--|-------------|--|------------------|--|-----------------|--|------------|--|----|--|-----|--|------|--|-----|--|
| AFE No | | 304219 | | AFE Total | | 1,540,700 | | DHC / CWC | | 640,400/ 900,300 | | | | | | | | | | | | | |
| Rig Contr | | TRUE | | Rig Name | | TRUE #27 | | Start Date | | 10-14-2007 | | Release Date | | 03-17-2009 | | | | | | | | | |
| 10-14-2007 | | Reported By | | SHARON CAUDILL | | | | | | | | | | | | | | | | | | | |
| DailyCosts: Drilling | | \$0 | | Completion | | \$0 | | Daily Total | | \$0 | | | | | | | | | | | | | |
| Cum Costs: Drilling | | \$0 | | Completion | | \$0 | | Well Total | | \$0 | | | | | | | | | | | | | |
| MD | | 0 | | TVD | | 0 | | Progress | | 0 | | Days | | 0 | | MW | | 0.0 | | Visc | | 0.0 | |
| Formation : | | | | PBTD : 0.0 | | | | Perf : | | | | PKR Depth : 0.0 | | | | | | | | | | | |

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | LOCATION DATA |
| | | | 1498' FNL & 2553' FEL (SW/NE) |
| | | | SECTION 25, T9S, R22E |
| | | | UINTAH COUNTY, UTAH |
| | | | LAT 40.010164, LONG 109.388019 (NAD 83) |
| | | | LAT 40.010197, LONG 109.387339 (NAD 27) |
| | | | TRUE #27 |
| | | | OBJECTIVE: 9265' TD, MESAVERDE |
| | | | DW/GAS |
| | | | CHAPITA WELLS DEEP PROSPECT |
| | | | DD&A: CHAPITA DEEP |
| | | | NATURAL BUTTES FIELD |
| | | | LEASE: U-0285-A |
| | | | ELEVATION: 5086.0' NAT GL, 5083.3' PREP GL (DUE TO ROUNDING PREP GL WILL BE 5083') 5096' KB (13') |
| | | | EOG WI 55.6055%, NRI 47.59694% |

12-29-2008 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$81,374 | Completion | \$0 | Daily Total | \$81,374 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION STARTED. |

12-30-2008 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 10% COMPLETE. |

12-31-2008 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 20% COMPLETE. |

01-02-2009 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 30% COMPLETE. |

01-05-2009 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 40% COMPLETE. |

01-06-2009 Reported By NATALIE BRAYTON

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | LOCATION 50% COMPLETE. | | |

01-07-2009 **Reported By** NATALIE BRAYTON

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | LOCATION 60% COMPLETE. | | |

01-08-2009 **Reported By** NATALIE BRAYTON

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | ROCKED OUT, DRILLING ROCK. | | |

01-09-2009 **Reported By** NATALIE BRAYTON

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | DRILLING ROCK. | | |

01-12-2009 **Reported By** TERRY CSERE

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | SHOOTING TODAY. | | |

01-13-2009 **Reported By** TERRY CSERE

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT & LOCATION | | |

01-14-2009 **Reported By** TERRY CSERE

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT & LOCATION. | | |

01-15-2009 **Reported By** TERRY CSERE

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT & LOCATION. | | |

01-16-2009 **Reported By** TERRY CSERE

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT & LOCATION. | | |

01-19-2009 **Reported By** TERRY CSERE

| | | | | | |
|--|------------|-------------------|-----------------------------|--------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: BUILD LOCATION | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT & LOCATION. | | |

01-20-2009 **Reported By** JERRY BARNES

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 60 | TVD | 60 | Progress | 0 |
| | | | | Days | 0 |
| | | | | MW | 0.0 |
| | | | | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: SPUD NOTIFICATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | ROCKY MOUNTIAN DRILLING SPUD A 26" HOLE ON 1/19/09 @ 1:30 PM. SET 60' OF 16" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 1/19/09 @ 1:30 PM. LINE WEDNESDAY. |

01-21-2009 Reported By JERRY BARNES

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 60 | TVD | 60 | Progress | 0 |
| | | | | Days | 0 |
| | | | | MW | 0.0 |
| | | | | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LINE TODAY. |

01-22-2009 Reported By NATALIE BRAYTON

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$81,374 | Completion | \$0 | Well Total | \$81,374 |
| MD | 60 | TVD | 60 | Progress | 0 |
| | | | | Days | 0 |
| | | | | MW | 0.0 |
| | | | | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION COMPLETE. |

01-31-2009 Reported By JERRY BARNES

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| DailyCosts: Drilling | \$20,762 | Completion | \$0 | Daily Total | \$20,762 |
| Cum Costs: Drilling | \$102,136 | Completion | \$0 | Well Total | \$102,136 |
| MD | 263 | TVD | 263 | Progress | 0 |
| | | | | Days | 0 |
| | | | | MW | 0.0 |
| | | | | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | MIRU ROCKY MOUNTAIN DRILLING AIR RIG ON 1/26/2009. DRILLED 12 1/4" HOLE TO 250' GL (263' KB). ENCOUNTERED NO WATER. RDMO ROCKY MOUNTAIN RIG. |

TRUE RIG #27 WILL FINISH DRILLING 12 1/4" HOLE AND RUN 9 5/8" CASING.

PREPARE LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

02-27-2009 Reported By LES FARNSWORTH

| | | | | | |
|-----------------------------|-----------|-------------------|-----|--------------------|-----------|
| DailyCosts: Drilling | \$234,840 | Completion | \$0 | Daily Total | \$234,840 |
|-----------------------------|-----------|-------------------|-----|--------------------|-----------|

| | | | | | |
|--------------------------------------|-----------|-------------------|-------|------------------------|-----------|
| Cum Costs: Drilling | \$336,976 | Completion | \$0 | Well Total | \$336,976 |
| MD | 2,290 | TVD | 2,290 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: WORT | | | | PKR Depth : 0.0 | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | MIRU CRAIGS DRILLING RIG # 2 ON 2/21/2009. DRILLED 12-1/4" HOLE TO 2277' GL (2290'KB). ENCOUNTERED NO WATER. FLUID DRILLED HOLE FROM 2150' WITH PARTIAL RETURNS. RAN 53 JTS (2270.94') OF 9-5/8", 36.0#, J-55, STC CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. TAGGED FILL @ 2287' WITH JOINT # 54. LAID DOWN JOINT # 54. LANDED @ 2283' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG. |

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 175 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (182 BBLS) OF PREMIUM LEAD CEMENT W/ 0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/ 300 SX (63 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/172 BBLS FRESH WATER. BUMPED PLUG W/ 620# @ 2:53 PM, 2/25/2009. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 166 BBLS INTO FRESH WATER FLUSH. CIRCULATED 15 BBLS LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/3% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC
3 HRS.

TOP JOB # 2: MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/3% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG # 2 TOOK SURVEYS WHILE DRILLING HOLE @ 1400'= 0 DEGREE & 2220'= 1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 89.9 VDS= 89.9 MS= 90.0

9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.8 VDS= 89.8 MS= 89.8

LES FARNSWORTH EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 2/24/2009 @ 7:08 A.M.

| | | | | | |
|--------------------------------------|--------------------|-------------------|-------|------------------------|-----------|
| 03-10-2009 | Reported By | PAT CLARK | | | |
| Daily Costs: Drilling | \$37,217 | Completion | \$0 | Daily Total | \$37,217 |
| Cum Costs: Drilling | \$374,193 | Completion | \$0 | Well Total | \$374,193 |
| MD | 2,290 | TVD | 2,290 | Progress | 0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| Activity at Report Time: RURT | | | | PKR Depth : 0.0 | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | MIRURT. 7 BED TRUCKS, 2 ROAD TRUCKS, 2 FORKLIFTS. DERRICK IN AIR @ 15:00, TRUCKS RELEASED @ 15:30. |

TRANSFER 5 JTS (219.60') 4 1/2", 11.6#, HCP110, LTC CSG FROM CWU 1356-26.

TRANSFER 1 MJ (22.00') 4 1/2", 11.6#, HCP110, LTC CSG FROM OLD WELL.

TRANSFER 2019 GALS DIESEL.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETING - TRUCKS, FORKLIFT.

FUEL - 6133, DEL - 4400, USED - 286.

ETA SPUD - 14:00.

| | | | | | | | | | | | |
|---|-------|-------------|-------|------------|-------|--------|---|-----------------|-----|-----------|------|
| 03-11-2009 | | Reported By | | PAT CLARK | | | | | | | |
| DailyCosts: Drilling | | \$38,446 | | Completion | | \$0 | | Daily Total | | \$38,446 | |
| Cum Costs: Drilling | | \$412,639 | | Completion | | \$0 | | Well Total | | \$412,639 | |
| MD | 3,580 | TVD | 3,580 | Progress | 1,290 | Days | 1 | MW | 8.7 | Visc | 27.0 |
| Formation : | | PBTD : 0.0 | | | | Perf : | | PKR Depth : 0.0 | | | |
| Activity at Report Time: DRILLING @ 3580' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 08:00 | 2.0 | RURT. FINAL WALKTHROUGH AND SAFETY CHECK. |
| 08:00 | 09:00 | 1.0 | NUBOPE. RIG ON DAYWORK @ 08:00 HRS, 3/10/09. |
| 09:00 | 13:00 | 4.0 | HSM. TEST BOP. TEST HIGH 5000 PSI UPPER AND LOWER KELLY VALVES, SAFETY VALVE, DART VALVE, PIPE AND BLIND RAMS, KILL LINE, MANIFOLD AND VALVES. TEST ANNULAR TO 2500 PSI, CASING TO 1500 PSI F/ 30 MINUTES. R/D TESTER. INSTALL WEAR BUSHING. |
| 13:00 | 16:30 | 3.5 | HSM. R/U WEATHERFORD TRS. PU BHA & DP. TAG CEMENT @ 2240'. R/D TRS. |
| 16:30 | 17:30 | 1.0 | RIG SERVICE. CHECK COM. |
| 17:30 | 18:30 | 1.0 | DRILL CEMENT/FLOAT EQUIP. FC @ 2240', GS @ 2284'. DRILL 16' TO 2300'. |
| 18:30 | 19:00 | 0.5 | FIT TEST TO 215 PSI FOR 10.5 EMW. |
| 19:00 | 03:30 | 8.5 | DRILL 2300' - 3309'. WOB 15K, RPM 60/67, SPP 1500 PSI, DP 300 PSI, ROP 119 FPH. |
| 03:30 | 04:00 | 0.5 | SURVEY - .88 DEG. |
| 04:00 | 06:00 | 2.0 | DRILL 3309' - 3580'. SAME PARAMETERS, ROP 136 FPH. |

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS - PPE, ELECTRICITY.

FUEL - 4862, USED - 1271.

CURRENT MW - 9 PPG, VIS - 30 SPQ.

06:00 SPUD 7 7/8" HOLE W/ROTARY TOOLS @ 19:00 HRS, 03/10/2009

| | | | | | | | | | | | |
|---|-------|-------------|-------|------------|-------|--------|---|-----------------|-----|-----------|------|
| 03-12-2009 | | Reported By | | PAT CLARK | | | | | | | |
| DailyCosts: Drilling | | \$32,847 | | Completion | | \$0 | | Daily Total | | \$32,847 | |
| Cum Costs: Drilling | | \$445,486 | | Completion | | \$0 | | Well Total | | \$445,486 | |
| MD | 5,472 | TVD | 5,472 | Progress | 1,892 | Days | 2 | MW | 9.6 | Visc | 33.0 |
| Formation : | | PBTD : 0.0 | | | | Perf : | | PKR Depth : 0.0 | | | |
| Activity at Report Time: DRILLING @ 5472' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 12:00 | 6.0 | DRILL 3580' - 4338'. WOB 18K, RPM 50/67, SPP 1550 PSI, DP 300 PSI, ROP 126 FPH. |
| 12:00 | 12:30 | 0.5 | RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS. |

12:30 14:30 2.0 DRILL 4338' - 4564'. SAME PARAMETERS, ROP 113 FPH.
 14:30 15:00 0.5 SURVEY - 2.11 DEG.
 15:00 16:00 1.0 REPLACE SWIVEL PACKING.
 16:00 06:00 14.0 DRILL 4564' - 5472'. SAME PARAMETERS, ROP 65 FPH.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS - ROT TABLE, BOP DRILLS.

FUEL - 3291, USED - 1571.

CURRENT MW - 9.6 PPG, VIS - 33 SPQ.

CHAPITA WELLS @ 5200'.

03-13-2009 **Reported By** PAT CLARK

| | | | | | |
|-----------------------------|-----------|-------------------|-----|--------------------|-----------|
| DailyCosts: Drilling | \$54,801 | Completion | \$0 | Daily Total | \$54,801 |
| Cum Costs: Drilling | \$500,288 | Completion | \$0 | Well Total | \$500,288 |

MD 6,615 **TVD** 6,615 **Progress** 1,143 **Days** 3 **MW** 9.8 **Visc** 36.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 6615'

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 13:00 | 7.0 | DRILL 5472' - 5815'. WOB 18K, RPM 60/67, SPP 1750 PSI, DP 300 PSI, ROP 49 FPH. |
| 13:00 | 13:30 | 0.5 | RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS. |
| 13:30 | 06:00 | 16.5 | DRILL 5815' - 6615'. SAME PARAMETERS, ROP 48 FPH. |

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS - ROLLING PIPE, HEARING PROTECTION.

FUEL - 1720, USED - 1571.

CURRENT MW - 10 PPG, VIS - 35 SPQ.

NORTH HORN @ 6584'.

03-14-2009 **Reported By** PAT CLARK

| | | | | | |
|-----------------------------|-----------|-------------------|---------|--------------------|-----------|
| DailyCosts: Drilling | \$39,145 | Completion | \$1,512 | Daily Total | \$40,657 |
| Cum Costs: Drilling | \$539,433 | Completion | \$1,512 | Well Total | \$540,945 |

MD 7,385 **TVD** 7,385 **Progress** 770 **Days** 4 **MW** 10.6 **Visc** 36.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 7385'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 14:00 | 8.0 | DRILL 6615' - 6919'. WOB 18-22K, RPM 50-60/67, SPP 1800 PSI, DP 250 PSI, ROP 38 FPH. |
| 14:00 | 14:30 | 0.5 | RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS. |
| 14:30 | 17:30 | 3.0 | DRILL 6919' - 7044'. SAME PARAMETERS, ROP 42 FPH. |
| 17:30 | 20:30 | 3.0 | PUMP PILL, DROP SURVEY, TOH. L/D REAMERS, X/O BIT. RECOVER SURVEY - 2.71 DEG. |
| 20:30 | 22:30 | 2.0 | TIH. FILL PIPE @ 4000'. |
| 22:30 | 23:00 | 0.5 | WASH AND REAM 45' TO BOTTOM. |
| 23:00 | 06:00 | 7.0 | DRILL 7044' - 7385'. WOB 5-19K, RPM 52/67, SPP 2000 PSI, DP 250 PSI, ROP 49 FPH. |

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS - TRIPPING, WELDING.

FUEL - 4862, DEL - 4500, USED - 1758.

CURRENT MW - 10.6 PPG, VIS - 35 SPQ.

PRICE RIVER @ 6874'.

| | | | | | | | | | | | |
|-----------------------------|--------------------|-------------------|---------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 03-15-2009 | Reported By | PAT CLARK | | | | | | | | | |
| DailyCosts: Drilling | \$29,514 | Completion | \$1,512 | Daily Total | \$31,026 | | | | | | |
| Cum Costs: Drilling | \$568,948 | Completion | \$3,024 | Well Total | \$571,972 | | | | | | |
| MD | 8,467 | TVD | 8,467 | Progress | 1,082 | Days | 5 | MW | 10.7 | Visc | 37.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING @ 8467'

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 13:00 | 7.0 | DRILL 7385' - 7628'. WOB 15-20K, RPM 50-60/67, SPP 2000 PSI, DP 250 PSI, ROP 35 FPH. |
| 13:00 | 13:30 | 0.5 | RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS. |
| 13:30 | 06:00 | 16.5 | DRILL 7628' - 8467'. SAME PARAMETERS, ROP 51 FPH. |

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS - SLIPS, BOP DRILL.

FUEL - 3067, USED - 1795.

CURRENT MW - 10.8 PPG, VIS - 37 SPQ.

PRICE RIVER MIDDLE @ 7767'.

| | | | | | | | | | | | |
|-----------------------------|--------------------|-------------------|---------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 03-16-2009 | Reported By | PAT CLARK | | | | | | | | | |
| DailyCosts: Drilling | \$55,274 | Completion | \$0 | Daily Total | \$55,274 | | | | | | |
| Cum Costs: Drilling | \$624,223 | Completion | \$3,024 | Well Total | \$627,247 | | | | | | |
| MD | 8,782 | TVD | 8,782 | Progress | 315 | Days | 6 | MW | 11.3 | Visc | 37.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING @ 8782'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:00 | 3.0 | DRILL 8467' - 8528'. WOB 15-22K, RPM 50-60/67, SPP 2200 PSI, DP 350 PSI, ROP 20 FPH. |
| | | | DRILLING W/ 20' FLARE. |
| 09:00 | 13:30 | 4.5 | CIRCULATE, WEIGHT UP TO 11.4 PPG AND CONDITION FOR BIT TRIP. |
| 13:30 | 17:00 | 3.5 | TOH. P/U NEW MM (# 6114), BIT. |
| 17:00 | 21:30 | 4.5 | TIH. FILL PIPE @ 4000'. |
| 21:30 | 23:00 | 1.5 | CIRCULATE THROUGH CHOKE @ 100 STROKES TO RAISE MUD WEIGHT. |
| 23:00 | 23:30 | 0.5 | WASH AND REAM 30' TO BOTTOM. |
| 23:30 | 06:00 | 6.5 | DRILL 8528' - 8782'. WOB 5-15K, RPM 50-60/67, SPP 2150 PSI, DP 250 PSI, ROP 39 FPH. |

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS - TRIPPING, GAS PRESSURE.

FUEL - 1870, USED - 1197.

CURRENT MW - 11.6 PPG, VIS - 37 SPQ.

LOWER PRICE RIVER @ 8529'.

| | | | | | | | | | |
|-----------------------------|--------------------|-------------------|---------|--------------------|-----------|--|--|--|--|
| 03-17-2009 | Reported By | PAT CLARK | | | | | | | |
| DailyCosts: Drilling | \$37,325 | Completion | \$0 | Daily Total | \$37,325 | | | | |
| Cum Costs: Drilling | \$661,548 | Completion | \$3,024 | Well Total | \$664,572 | | | | |

MD 9,265 TVD 9,265 Progress 483 Days 7 MW 11.9 Visc 41.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RUNNING PRODUCTION CASING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 12:30 | 6.5 | DRILL 8782' - 9066'. WOB 15K, RPM 55/60, SPP 2200 PSI, DP 300 PSI, ROP 44 FPH. |
| 12:30 | 13:00 | 0.5 | RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS. |
| 13:00 | 19:30 | 6.5 | DRILL 9066' - 9265'. SAME PARAMETERS, ROP 31 FPH. REACHED TD @ 19:30 HRS, 3/16/09. |
| 19:30 | 20:00 | 0.5 | SHORT TRIP. |
| 20:00 | 21:30 | 1.5 | CIRCULATE BOTTOMS UP, PUMP 250 BBL 12.5 PPG PILL FOR 12 PPG EMW. R/U WEATHERFORD TRS TO LDDP. |
| 21:30 | 04:00 | 6.5 | HSM. LDDP. BREAK KELLY, L/D BHA. PULL WEAR BUSHING. |
| 04:00 | 06:00 | 2.0 | HSM. R/U TO RUN CSG. RUN 4 1/2", 11.6#, HCP110, LTC CASING. DETAILS ON NEXT REPORT. |

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS - LDDP, RUN CSG.

FUEL - 2992, DEL - 2500, USED - 1378.

CURRENT MW - 11.7 PPG, VIS - 40 SPQ.

03-18-2009 Reported By PAT CLARK

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-----------|
| Daily Costs: Drilling | \$40,662 | Completion | \$210,751 | Daily Total | \$251,413 |
| Cum Costs: Drilling | \$702,210 | Completion | \$213,775 | Well Total | \$915,985 |

MD 9,265 TVD 9,265 Progress 0 Days 8 MW 11.7 Visc 41.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 10:30 | 4.5 | HSM. RU TO RUN CSG. RUN 4 1/2", 11.6#, HCP-110, LTC CASING AS FOLLOWS: FS @ 9257', 1 JT CSG, FC @ 9210', 63 JTS CSG, MJ @ 6471', 53 JTS CSG, MJ @ 4224', 99 JTS CSG, MKR JT TO SPACE OUT (216 TOTAL). P/U JT # 217, TAG BOTTOM @ 9265'. L/D JT # 217, P/U LJ, HANGER, PUP, LAND WELL W/45,000 #. RD CASERS. |
| 10:30 | 11:30 | 1.0 | HSM. CIRCULATE BOTTOMS UP. R/U HALLIBURTON TO CEMENT. |
| 11:30 | 15:00 | 3.5 | HSM. CEMENT WELL AS FOLLOWS: PRESSURE TEST TO 5000 PSI. DROP BOTTOM PLUG, MIX AND PUMP CEMENT AS FOLLOWS: 20 BBLs CHEM WASH, 20 BBLs WATER, 480 SX (138 BBLs, 883 CU/FT) LEAD Highbond 75, 1.84 YLD, 9.86 GAL/SK H2O @ 12.5 PPG. MIX AND PUMP 1340 SX (347 BBLs, 1969 CU/FT) TAIL EXTENDECEN, 1.47 YLD, 6.88 GAL/SK H2O @ 13.5 PPG. DROPPED TOP PLUG AND DISPLACED W/ 143 BBLs WATER. NO RETURNS. MAX PRESSURE 2520 PSI, BUMPED PLUG TO 3034 PSI. BLED BACK 2 BBL, FLOATS HELD. R/D CEMENTERS. |
| 15:00 | 17:00 | 2.0 | PACK OFF AND TEST CSG HEAD. ND BOP, CLEAN TANKS. |
| | | | RW JONES TRUCKING TO MOVE RIG 2 MILES @ 07:00 TO CWU 1291-25. |
| | | | TRANSFER 4 JTS 4 1/2", 11.6#, P-110, LTC CSG (175.33') TO CWU 1291-25. |
| | | | TRANSFER 1500 GALS DIESEL FUEL @ \$1.79/GAL TO NEW WELL. |
| 17:00 | 06:00 | 13.0 | RDRT. |
| 06:00 | | | RIG RELEASED @ 17:00 HRS, 03/17/09. |
| | | | CASING POINT COST \$675,824 |

03-26-2009 Reported By SEARLE

Daily Costs: Drilling \$0 **Completion** \$26,500 **Daily Total** \$26,500
Cum Costs: Drilling \$702,210 **Completion** \$240,275 **Well Total** \$942,485
MD 9,265 **TVD** 9,265 **Progress** 0 **Days** 9 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD : 9210.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: PREP FOR FRACS

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU LONE WOLF. LOG WITH CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 2280'. RD LONE WOLF. |

04-10-2009 Reported By MCCURDY

Daily Costs: Drilling \$0 **Completion** \$1,842 **Daily Total** \$1,842
Cum Costs: Drilling \$702,210 **Completion** \$242,117 **Well Total** \$944,327
MD 9,265 **TVD** 9,265 **Progress** 0 **Days** 10 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD : 9210.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION. |

04-14-2009 Reported By WHITEHEAD

Daily Costs: Drilling \$0 **Completion** \$22,350 **Daily Total** \$22,350
Cum Costs: Drilling \$702,210 **Completion** \$264,467 **Well Total** \$966,677
MD 9,265 **TVD** 9,265 **Progress** 0 **Days** 11 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD : 9210.0** **Perf : 7408'-9046** **PKR Depth : 0.0**

Activity at Report Time: FRAC

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | <p>RU CUTTERS WIRELINE PERFORATE LPR FROM 8740'-41', 8754'-55', 8758'-59', 8816'-17', 8856'-57', 8869'-70', 8886'-87', 8929'-30', 8964'-65', 8978'-79', 9002'-03', 9045'-46' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7996 GAL 16# LINEAR W/1-1.5 PPG 20/40 SAND, 41736 GAL 16# DELTA 200 W/156000# 20/40 SAND @ 2-5 PPG. MTP 6463 PSIG. MTR 52.8 BPM. ATP 5070 PSIG. ATR 48.3 BPM. ISIP 3507 PSIG. RD HALLIBURTON.</p> <p>RUWL. SET 6K CFP AT 8700'. PERFORATE MPR/LPR FROM 8443'-44', 8449'-50', 8456'-57', 8482'-83', 8483'-84', 8501'-02', 8511'-12', 8537'-38', 8561'-62', 8562'-63', 8655'-56', 8656'-57' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 7953 GAL 16# LINEAR 1-1.5 PPG, 41589 GAL 16# DELTA 200 W/ 155500# 20/40 SAND @ 2-5 PPG. MTP 5562 PSIG. MTR 54.4 BPM. ATP 4518 PSIG. ATR 48.9 BPM. ISIP 3172 PSIG. RD HALLIBURTON.</p> <p>RUWL. SET 6K CFP AT 8400'. PERFORATE MPR FROM 8167'-68', 8205'-06', 8219'-20', 8232'-33', 8250'-51', 8276'-77', 8287'-88', 8309'-10', 8316'-17', 8331'-32', 8344'-45', 8370'-71' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106 , 7980 GAL 16# LINEAR W/1-1.5 PPG 20/40 SAND, 41533 GAL 16# DELTA 200 W/ 155500 # 20/40 SAND @ 2-5 PPG. MTP 5157 PSIG. MTR 53.7 BPM. ATP 4312 PSIG. ATR 48.5 BPM. ISIP 2994 PSIG. RD HALLIBURTON.</p> <p>RUWL. SET 6K CFP AT 8135'. PERFORATE MPR FROM 7872'-73', 7903'-04', 7908'-09', 7925'-26', 7940'-41', 7977'-78', 7988'-89', 7999'-00', 8008'-09', 8047'-48', 8082'-83', 8113'-14' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7999 GAL 16# LINEAR W/1-1.5 PPG 20/40 SAND, 42296 GAL 16# DELTA 200 W/155800# 20/40 SAND @ 2-5 PPG. MTP 4676 PSIG. MTR 52.3 BPM. ATP 3802 PSIG. ATR 49 BPM. ISIP 2480 PSIG. RD HALLIBURTON.</p> |

RUWL. SET 6K CFP AT 7845'. PERFORATE U/MPR FROM 7613'-14', 7619'-20', 7626'-27', 7681'-82', 7685'-86', 7690'-91', 7774'-75', 7795'-96', 7796'-97', 7810'-11', 7819'-20', 7825'-26' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 8036 GAL 16# LINEAR W/1-1.5 PPG 20/40 SAND, 27740 GAL 16# DELTA 200 W/106900# 20/40 SAND @ 2-5 PPG. MTP 5368 PSIG. MTR 54.1 BPM. ATP 4328 PSIG. ATR 50.2 BPM. ISIP 2403 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7590'. PERFORATE UPR FROM 7408'-09', 7409'-10', 7434'-35', 7440'-41', 7447'-48', 7451'-52', 7477'-78', 7506'-07', 7507'-08', 7540'-41', 7558'-59', 7559'-60' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7933 GAL 16# LINEAR W/1-1.5 PPG 20/40 SAND, 22419 GAL 16# DELTA 200 W/86700# 20/40 SAND @ 2-5 PPG. MTP 5448 PSIG. MTR 52.9 BPM. ATP 4676 PSIG. ATR 47.8 BPM. ISIP 2070 PSIG. RD HALLIBURTON. SDFN.

04-15-2009 Reported By WHITEHEAD

| | | | | | |
|-----------------------|---------------|-------------------|-----------------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$269,759 | Daily Total | \$269,759 |
| Cum Costs: Drilling | \$702,210 | Completion | \$534,226 | Well Total | \$1,236,436 |
| MD | 9,265 | TVD | 9,265 | Progress | 0 |
| Days | 12 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 9210.0 | Perf : 6882'-9046 | PKR Depth : 0.0 | | |

Activity at Report Time: PREP TO MIRUSU

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | RUWL. SET 6K CFP AT 7380'. PERFORATE UPR FROM 7180'-81', 7184'-85', 7195'-96', 7216'-17', 7220'-21', 7248'-49', 7267'-68', 7274'-75', 7325'-26', 7340'-41', 7347'-48', 7356'-57' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 8038 GAL 16# LINEAR 1-1.5 PPG, 35341 GAL 16# DELTA 200 W/ 136600# 20/40 SAND @ 2-5 PPG. MTP 5504 PSIG. MTR 52 BPM. ATP 3473 PSIG. ATR 48 BPM. ISIP 2200 PSIG. RD HALLIBURTON. |

RUWL. SET 6K CFP AT 7155'. PERFORATE UPR FROM 6882'-83', 6886'-87', 6909'-10', 6921'-22', 6934'-35', 6955'-56', 6980'-81', 6994'-95', 7047'-48', 7061'-62', 7125'-26', 7131'-32' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7927 GAL 16# LINEAR 1-1.5 PPG, 43529 GAL 16# DELTA 200 W/164000# 20/40 SAND @ 2-5 PPG. MTP 3727 PSIG. MTR 52 BPM. ATP 3269 PSIG. ATR 49.1 BPM. ISIP 1865 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 6762'. RDWL.

04-17-2009 Reported By BAUSCH

| | | | | | |
|-----------------------|---------------|-------------------|-----------------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$23,417 | Daily Total | \$23,417 |
| Cum Costs: Drilling | \$702,210 | Completion | \$557,643 | Well Total | \$1,259,853 |
| MD | 9,265 | TVD | 9,265 | Progress | 0 |
| Days | 13 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 9210.0 | Perf : 6882'-9046 | PKR Depth : 0.0 | | |

Activity at Report Time: CLEAN OUT AFTER FRAC

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 07:00 | 15:00 | 8.0 | MIRUSU. ND TREE. NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO 6700'. RU TO DRILL OUT PLUGS. SDFN. |

04-18-2009 Reported By BAUSCH

| | | | | | |
|-----------------------|---------------|-------------------|-----------------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$59,916 | Daily Total | \$59,916 |
| Cum Costs: Drilling | \$702,210 | Completion | \$617,559 | Well Total | \$1,319,769 |
| MD | 9,265 | TVD | 9,265 | Progress | 0 |
| Days | 14 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 9153.0 | Perf : 6882'-9046 | PKR Depth : 0.0 | | |

Activity at Report Time: LAND TBG. RDMOSU. FLOW TEST.

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

07:00 06:00 23.0 SICP 0 PSIG. SISCP 0 PSIG. HOLD SAFETY MTG. PRESSURE TEST FLOW LINES & POBS TO 2500 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6762', 7155', 7380', 7590', 7845', 8135', 8400' & 8700'. RIH. CLEANED OUT TO 9153'. LANDED TBG AT 7738.24' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'

1 JT 2-3/8 4.7# N-80 TBG 33.10'

XN NIPPLE 1.30'

233 JTS 2-3/8 4.7# N-80 TBG 7689.84'

BELOW KB 13.00'

LANDED @ 7738.24' KB

FLOWED 15 HRS. 24/64 CHOKE. FTP- 1600 PSIG, CP- 1900 PSIG. 63 BFPH. RECOVERED 1091 BBLS, 8590 BLWTR.

04-19-2009 Reported By BAUSCH

| | | | | | |
|--|-----------|----------------------|-----------|--------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,450 | Daily Total | \$2,450 |
| Cum Costs: Drilling | \$702,210 | Completion | \$620,009 | Well Total | \$1,322,219 |
| MD | 9,265 | TVD | 9,265 | Progress | 0 |
| Formation : MESAVERDE | | PBTD : 9153.0 | | Perf : 6882'-9046 | |
| Activity at Report Time: FLOW TEST TO SALES | | | | PKR Depth : 0.0 | |

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS THROUGH TEST UNIT TO SALES. 24/64 CHOKE. FTP 1500 PSIG. CP 2400 PSIG. 45 BFPH. RECOVERED 1200 BLW. 7390 BLWTR. 1800 MCFD RATE.

04-20-2009 Reported By BAUSCH

| | | | | | |
|--|-----------|----------------------|-----------|--------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$1,950 | Daily Total | \$1,950 |
| Cum Costs: Drilling | \$702,210 | Completion | \$621,959 | Well Total | \$1,324,169 |
| MD | 9,265 | TVD | 9,265 | Progress | 0 |
| Formation : MESAVERDE | | PBTD : 9153.0 | | Perf : 6882'-9046 | |
| Activity at Report Time: FLOW TEST TO SALES | | | | PKR Depth : 0.0 | |

Start End Hrs Activity Description

06:00 06:00 24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 1550 PSIG & CP 2000 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 10:30 AM, 4/18/09. FLOWED 1600 MCFD RATE ON 24/64" CHOKE. STATIC 280. QUESTAR METER #8123.

FLOWED 24 HRS THROUGH TEST UNIT TO SALES. 24/64 CHOKE. FTP 1350 PSIG. CP 2150 PSIG. 40 BFPH. RECOVERED 985 BLW. 6405 BLWTR. 1800 MCFD RATE.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0285A1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
CHAPITA WELLS2. Name of Operator
EOG RESOURCES, INC. Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com8. Lease Name and Well No.
CHAPITA WELLS UNIT 1292-253. Address 600 17TH STREET SUITE 1000N
DENVER, CO 802023a. Phone No. (include area code)
Ph: 303-824-55269. API Well No.
43-047-39609

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SWNE 1498FNL 2553FEL 40.01016 N Lat, 109.38802 W Lon

At top prod interval reported below SWNE 1498FNL 2553FEL 40.01016 N Lat, 109.38802 W Lon

At total depth SWNE 1498FNL 2553FEL 40.01016 N Lat, 109.38802 W Lon

10. Field and Pool, or Exploratory
NATURAL BUTTES11. Sec., T., R., M., or Block and Survey
or Area Sec 25 T9S R22E Mer SLB12. County or Parish
UINTAH13. State
UT14. Date Spudded
01/19/200915. Date T.D. Reached
03/16/200916. Date Completed
☐ D & A ☒ Ready to Prod.
04/18/200917. Elevations (DF, KB, RT, GL)*
5086 GL18. Total Depth: MD
TVD 926519. Plug Back T.D.: MD
TVD 915320. Depth Bridge Plug Set: MD
TVD21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL/CCL/VDL/GR22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|-------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2283 | | 750 | | 0 | |
| 7.875 | 4.500 P-110 | 11.6 | 0 | 9257 | | 1820 | | 2280 | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 7738 | | | | | | | |

25. Producing Intervals

26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|------|--------|---------------------|------|-----------|--------------|
| A) MESAVERDE | 6882 | 9046 | 8740 TO 9046 | | 3 | |
| B) | | | 8443 TO 8657 | | 3 | |
| C) | | | 8167 TO 8371 | | 3 | |
| D) | | | 7872 TO 8114 | | 3 | |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 8740 TO 9046 | 49,897 GALS GELLED WATER & 156,000# 20/40 SAND |
| 8443 TO 8657 | 49,707 GALS GELLED WATER & 155,500# 20/40 SAND |
| 8167 TO 8371 | 49,678 GALS GELLED WATER & 155,500# 20/40 SAND |
| 7872 TO 8114 | 50,460 GALS GELLED WATER & 155,800# 20/40 SAND |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 04/18/2009 | 04/26/2009 | 24 | → | 25.0 | 670.0 | 140.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 12/64" | 1550 SI | 2100.0 | → | 25 | 670 | 140 | | PGW | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | SI | | → | | | | | | |

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #69514 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED *APR 30 2009

DIV. OF OIL, GAS & MINING

RECEIVED

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Fwgs. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | | | → | | | | | | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Fwgs. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | | | → | | | | | | |

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top Meas. Depth |
|-----------|------|--------|------------------------------|--|--|
| MESAVERDE | 6882 | 9046 | | GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER | 1450 1690 2273 4500 4613 5192 5870 6869 |

32. Additional remarks (include plugging procedure):

Please see the attached page for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

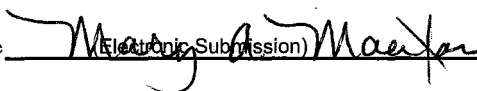
- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #69514 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTASTitle REGULATORY ASSISTANT

Signature


Date 04/28/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1292-25 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| | |
|-----------|-------|
| 7613-7826 | 3/spf |
| 7408-7560 | 3/spf |
| 7180-7357 | 3/spf |
| 6882-7132 | 3/spf |

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

| | |
|-----------|--|
| 7613-7826 | 35,941 GALS GELLED WATER & 106,900# 20/40 SAND |
| 7408-7560 | 30,517 GALS GELLED WATER & 86,700# 20/40 SAND |
| 7180-7357 | 43,544 GALS GELLED WATER & 136,600# 20/40 SAND |
| 6882-7132 | 51,621 GALS GELLED WATER & 164,000# 20/40 SAND |

Perforated the Lower Price River from 8740-41', 8754-55', 8758-59', 8816-17', 8856-57', 8869-70', 8886-87', 8929-30', 8964-65', 8978-79', 9002-03', 9045-46' w/ 3 spf.

Perforated the Middle/Lower Price River from 8443-44', 8449-50', 8456-57', 8482-83', 8483-84', 8501-02', 8511-12', 8537-38', 8561-62', 8562-63', 8655-56', 8656-57' w/ 3 spf.

Perforated the Middle Price River from 8167-68', 8205-06', 8219-20', 8232-33', 8250-51', 8276-77', 8287-88', 8309-10', 8316-17', 8331-32', 8344-45', 8370-71' w/ 3 spf.

Perforated the Middle Price River from 7872-73', 7903-04', 7908-09', 7925-26', 7940-41', 7977-78', 7988-89', 7999-8000', 8008-09', 8047-48', 8082-83', 8113-14' w/ 3 spf.

Perforated the Upper/Middle Price River from 7613-14', 7619-20', 7626-27', 7681-82', 7685-86', 7690-91', 7774-75', 7795-96', 7796-97', 7810-11', 7819-20', 7825-26' w/ 3 spf.

Perforated the Upper Price River from 7408-09', 7409-10', 7434-35', 7440-41', 7447-48', 7451-52', 7477-78', 7506-07', 7507-08', 7540-41', 7558-59', 7559-60' w/ 3 spf.

Perforated the Upper Price River from 7180-81', 7184-85', 7195-96', 7216-17', 7220-21', 7248-49', 7267-68', 7274-75', 7325-26', 7340-41', 7347-48', 7356-57' w/ 3 spf.

Perforated the Upper Price River from 6882-83', 6886-87', 6909-10', 6921-22', 6934-35', 6955-56', 6980-81', 6994-95', 7047-48', 7061-62', 7125-26', 7131-32' w/ 3 spf.

32. FORMATION (LOG) MARKERS

| | |
|--------------------|------|
| Middle Price River | 7760 |
| Lower Price River | 8566 |
| Sego | 9080 |

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1292-25

API number: 4304739609

Well Location: QQ SWNE Section 25 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

| DEPTH | | VOLUME (FLOW RATE OR HEAD) | QUALITY (FRESH OR SALTY) |
|-------|----|-------------------------------|-----------------------------|
| FROM | TO | | |
| | | NO WATER | FLUID DRILLED HOLE |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Formation tops: (Top to Bottom)

| | | | | | |
|----|--|----|--|----|--|
| 1 | | 2 | | 3 | |
| 4 | | 5 | | 6 | |
| 7 | | 8 | | 9 | |
| 10 | | 11 | | 12 | |

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 4/28/2009

| | | |
|--|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: U-0285-A |
| 1. TYPE OF WELL Gas Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | | 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS |
| 3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202 | | 8. WELL NAME and NUMBER: CWU 1292-25 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1498 FNL 2553 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 25 Township: 09.0S Range: 22.0E Meridian: S | | 9. API NUMBER: 43047396090000 |
| PHONE NUMBER: 435 781-9111 Ext | | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| COUNTY: UINTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/19/2010 | <input type="checkbox"/> ALTER CASING | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR | |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE TUBING | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
| | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | |
| | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> VENT OR FLARE | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input checked="" type="checkbox"/> OTHER | |
| | OTHER: Pit closure | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The reserve pit on the referenced location was closed on 2/19/2010 as per the APD procedure. | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 24, 2010 | | |
| NAME (PLEASE PRINT) Mary Maestas | PHONE NUMBER 303 824-5526 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 2/22/2010 | |